

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

D.T.E. 04-2

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY TO NSTAR GAS COMPANY,
COMMONWEALTH GAS COMPANY, CAMBRIDGE ELECTRIC LIGHT COMPANY,
and BOSTON EDISON COMPANY

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy ("Department") submits to NSTAR Gas Company, Commonwealth Gas Company, Cambridge Electric Light Company, and Boston Edison Company (collectively "Companies") the following Information Requests regarding the Companies' Merger Savings Report filed on December 5, 2003:

INSTRUCTIONS

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Companies in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed but no later than **5:00 p.m. on February 26, 2004**.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Companies or their witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting work-papers.

5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.
6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file **one (1) copy of the responses with Mary Cottrell**, Secretary of the Department and on all parties; also submit **one (1) copy of the responses to Caroline M. Bulger**, Hearing Officer, and **four (4) copies of the responses to Glenn Shippee**, Analyst - Rates and Revenue Requirements Division.
8. In addition to filing, all non-proprietary responses should be submitted by e-mail to dte.efiling@state.ma.us and to the e-mail address of any party required to be served.

INFORMATION REQUESTS

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| DTE 1-1 | Was the business combination approved in <u>BECO/Com Energy Acquisition</u> , D.T.E. 99-19 (1999) consummated on August 25, 1999? |
| DTE 1-2 | Please explain why the Merger Savings Report (including Tables A-U) does not provide data for the period post-August 25, 1999 through year-end 2000 in the Merger Savings Report. |
| DTE 1-3 | Please provide documentation that validates the inflation factors for each of the categories shown in the Merger Savings Report at 6. |
| DTE 1-4 | Refer to the Merger Savings Report at 10. Please identify and detail the reasons for the number of field personnel that were hired in 2002. |
| DTE 1-5 | Refer to the Merger Savings Report at 21. Please detail why the number of personnel in data administration and security increased rather than decreased, as projected by the Companies in D.T.E. 99-19. |
| DTE 1-6 | Refer to the Merger Savings Report at 23. Please detail why the number of personnel in real estate increased rather than decreased, as projected by the Companies in D.T.E. 99-19. |

- DTE 1-7 Refer to the Merger Savings Report at 29. Please provide the rationale for the exclusion of 77 new meter reading personnel in the calculation accompanying the discussion regarding the reduction of duplicative functions in customer service. Also, recalculate the costs or savings when the 77 new meter readers are included.
- DTE 1-8 In comparing the Companies' stated savings in the Merger Savings Report at 3 with the Companies' costs described in the Merger Savings Report at 80, is it accurate to conclude the Companies achieved \$80 million in net savings?
- DTE 1-9 Do the Companies realize savings as described in the Merger Savings Report at 3 on a going-forward basis?